Revaluation of Public Sector Undertakings by Foreign Banks

3199. PROF. SAURIN BHATTACHARYA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the Hong Kong Bank, City Bank, Grindlay Bank and Standard and Chartered Bank have conducted revaluation exercises of some Public Sector units;

(b) whether these banks have submitted a note to Government for consideration; and

(c) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. K. THUNGON): (a) to (c) Information is being collected and would be laid on the Table of the House.

Raising of promoters contribution for projects to be financed by Financial Institutions

3200. SHRI SURESH KALMADI: Will the PRIME MINISTER be pleased to state:

(a) whether Government propose to raise the promoters contribution to 30 per cent for the projects to be financed by public financial institutions in the medium and large scale manufacturing sector in the country; and

(b) if so, what would be the impact thereof on the new projects to be undertaken?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. J. KURIEN): (a) With a view to ensuring adequate stake of the promoters in the projects and reduce to an extent the draft on the resources of the institutions, the financing institution have proposed to increase the minimum level of promoters' contribution from 22.5% to 25% of the project cost. For large size projects costing more than Rs. 200 crores and the first project promoted by first generation entrepreneurs with project cost upto Rs. 10 crores, the level of minimum promoters' contribution is proposed to be fixed at 20% of the project cost.

(b) The marginal increase in the level of promoters' contribution is not likely to have any adverse impact on new projects.

Exports by Unilever companies

3201. SHRI GURUDAS DAS GUPTA: Will the PRIME MINISTER be pleased to state the quantum of exports by Unilever companies in India during 1984 to 1990 in terms of hard currency, year-wise?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. J. KURIEN): As reported by Hindustan Lever Ltd., the quantum of exports of Unilever companies in India during 1984 to 1990, year-wise, to General Currency Areas is as follows:

(Rs. Lakhs)

Year	Exports
1984	13634
1985	16446
1986	12646
1987	11647
1988	17139
1989	16393
1990	18002

Clearance of foreign investment proposals

3202. SHRI SURESH KALMADI: Will the PRIME MINISTER be pleased to state:

(a) the number of foreign investment proposals which have so far been cleared by the Foreign Investment Promotion Board, since its inception;

(b) whether Government are satisfied with the working of the Board; and

(c) if not, what steps are proposed to be taken to improve its performance?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. J. KURIEN): (a) to (c) In pursuance of the decision contained in the Statement on Industrial Policy tabled in both Houses of Parliament on 24th July, 1991, Government have constituted the Foreign Investment Promotion Board on 22nd August, 1991. The objective of the Board is to invite and facilitate investment in India by international companies in projects of benefit to the Indian economy and which do not fall within the parameters of the existing policy for clearance of foreign investment proposals. The Board has so far cleared two proposals.

In the initial months of its setting up, the Board has been engaged in discussing investment possibilities with a number of foreign companies which are in the process of submitting formal investment proposals to the Board.

It is too early to assess the working of the Board.

Setting up of Foreign Investment Promotion Board

3203. SHRI B. K. HARIPRASAD: Will the PRIME MINISTER be pleased to state:

(a) whether Foreign Investment Promotion Board has been recently set up for foreign investments in industries in India and if so, the details thereof; and

(b) whether it is a fact that Karnataka has a vast potential in Electronics, Computer, Tele-communication, Power, Newsprint, Heavy and Light Engineering, Fisheries, Food Processing, Leather and Pharmaceuticals and whether the foreign investments will be suitably channalised in Karnataka?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. J. KURIEN): (a) and (b) In pursuance of the decision contained in para 39 B(v) of the Statement on Industrial Policy tabled in both Houses of Parliament on 24th July, 1991, Government have constituted the Foreign Investment Promotion Board on 22nd August, 1991. The objective of the Board is to invite and facilitate investment in India by international companies in projects of benefit to the Indian economy and which do not fall within the parameters of the existing policy for clearance of foreign investment proposals.

Any proposal for foreign investment in any unit in Karnataka will be considered on the merits of the proposal under the existing guidelines.

Foreign Investment Promotion Board functioning

3204. KUMARI CHANDRIKA PREMJI KENIA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Foreign Investment Promotion Board is functioning at the Centre; if so, the authority under which it is working and what are its functions; and

(b) when it was set up and what is its composition?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. J. KURIEN): (a) and (b) In pursuance of the decision contained in para 39 B(v) of the Statement on Industrial Policy tabled in both Houses of Parliament on 24th July, 1991, Government have constituted the Foreign Investment Promotion Board on 22nd August, 1991. The composition and functions of the Board are as under:-

(i) Composition: The Board comprises of the following:—

(i) Principal Secretary to Prime Minister.

(ii) Finance Secretary

(iii) Commerce Secretary

(iv) Secretary, Industrial Development

(ii) Functions: The functions of the Board shall comprise mainly of:—